



General Assembly

January Session, 2003

Committee Bill No. 5011

LCO No. 2905

Referred to Committee on General Law

Introduced by:
(GL)

AN ACT ADOPTING THE UNIFORM ATHLETE AGENTS ACT.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. (NEW) (*Effective January 1, 2004*) This act may be cited as
2 the Uniform Athlete Agents Act.

3 Sec. 2. (NEW) (*Effective January 1, 2004*) As used in this act:

4 (1) "Agency contract" means an agreement in which a student-
5 athlete authorizes a person to negotiate or solicit on behalf of the
6 student-athlete a professional-sports-services contract or an
7 endorsement contract.

8 (2) "Athlete agent" means an individual who enters into an agency
9 contract with a student-athlete or, directly or indirectly, recruits or
10 solicits a student-athlete to enter into an agency contract. The term
11 includes an individual who represents to the public that the individual
12 is an athlete agent. The term does not include a spouse, parent, sibling,
13 grandparent or guardian of the student-athlete or an individual acting
14 solely on behalf of a professional sports team or professional sports
15 organization.

16 (3) "Athletic director" means an individual responsible for
17 administering the overall athletic program of an educational
18 institution or, if an educational institution has separately administered
19 athletic programs for male students and female students, the athletic
20 program for males or the athletic program for females, as appropriate.

21 (4) "Contact" means a communication, direct or indirect, between an
22 athlete agent and a student-athlete, to recruit or solicit the student-
23 athlete to enter into an agency contract.

24 (5) "Endorsement contract" means an agreement under which a
25 student-athlete is employed or receives consideration to use on behalf
26 of the other party to the contract any value that the student-athlete
27 may have because of publicity, reputation, following or fame obtained
28 because of athletic ability or performance.

29 (6) "Intercollegiate sport" means a sport played at the collegiate level
30 for which eligibility requirements for participation by a student-athlete
31 are established by a national association for the promotion or
32 regulation of collegiate athletics.

33 (7) "Person" means an individual, corporation, business trust, estate,
34 trust, partnership, limited liability company, association, joint venture,
35 government or governmental subdivision, agency or instrumentality,
36 public corporation or any other legal or commercial entity.

37 (8) "Professional-sports-services contract" means an agreement
38 under which an individual is employed, or agrees to render services,
39 as a player on a professional sports team, with a professional sports
40 organization or as a professional athlete.

41 (9) "Record" means information that is inscribed on a tangible
42 medium or that is stored in an electronic or other medium and is
43 retrievable in perceivable form.

44 (10) "Registration" means registration as an athlete agent pursuant
45 to this act.

46 (11) "State" means a state of the United States, the District of
47 Columbia, Puerto Rico, the United States Virgin Islands, or any
48 territory or insular possession subject to the jurisdiction of the United
49 States.

50 (12) "Student-athlete" means an individual who engages in, is
51 eligible to engage in, or may be eligible in the future to engage in, any
52 intercollegiate sport. If an individual is permanently ineligible to
53 participate in a particular intercollegiate sport, the individual is not a
54 student-athlete for purposes of that sport.

55 Sec. 3. (NEW) (*Effective January 1, 2004*) By acting as an athlete agent
56 in this state, a nonresident individual appoints the Secretary of the
57 State as the individual's agent for service of process in any civil action
58 in this state related to the individual's acting as an athlete agent in this
59 state.

60 Sec. 4. (NEW) (*Effective January 1, 2004*) (a) Except as provided in
61 subsection (b) of this section, an individual may not act as an athlete
62 agent in this state without holding a certificate of registration under
63 section 6 or 8 of this act.

64 (b) Before being issued a certificate of registration, an individual
65 may act as an athlete agent in this state for all purposes except signing
66 an agency contract, if:

67 (1) A student-athlete or another person acting on behalf of the
68 student-athlete initiates communication with the individual; and

69 (2) Not later than seven days after an initial act as an athlete agent,
70 the individual submits an application for registration to the
71 Commissioner of Consumer Protection as an athlete agent in this state.

72 (c) An agency contract resulting from conduct in violation of this
73 section is void and the athlete agent shall return any consideration
74 received under the contract.

75 Sec. 5. (NEW) (*Effective January 1, 2004*) (a) An applicant for
76 registration shall register with the Commissioner of Consumer
77 Protection in a form prescribed by the commissioner. The application
78 shall be in the name of an individual and, except as provided in
79 subsection (b) of this section, shall be signed by the applicant under
80 penalty of false statement and state or contain:

81 (1) The name of the applicant and the address of the applicant's
82 principal place of business;

83 (2) The name of the applicant's business or employer, if applicable;

84 (3) Any business or occupation engaged in by the applicant for the
85 five years next preceding the date of filing of the application;

86 (4) A description of the applicant's:

87 (A) Formal training as an athlete agent,

88 (B) practical experience as an athlete agent, and

89 (C) educational background relating to the applicant's activities as
90 an athlete agent;

91 (5) The names and addresses of three individuals not related to the
92 applicant who are willing to serve as references;

93 (6) The name, sport and last-known team of each individual for
94 whom the applicant acted as an athlete agent during the five years
95 next preceding the date of submission of the application;

96 (7) The names and addresses of all persons who are:

97 (A) With respect to the athlete agent's business if it is not a
98 corporation, the partners, members, officers, managers, associates or
99 profit-sharers of the business; and

100 (B) With respect to a corporation employing the athlete agent, the

101 officers, directors and any shareholder of the corporation having a five
102 per cent or greater interest in such corporation;

103 (8) Whether the applicant or any person named pursuant to
104 subdivision (7) of this subsection has been convicted of a crime that, if
105 committed in this state, would be a crime involving moral turpitude or
106 a felony, and identify the crime;

107 (9) Whether there has been any administrative or judicial
108 determination that the applicant or any person named pursuant to
109 subdivision (7) of this subsection has made a false, misleading,
110 deceptive or fraudulent representation;

111 (10) Any instance in which the conduct of the applicant or any
112 person named pursuant to subdivision (7) of this subsection resulted in
113 the imposition of a sanction, suspension or declaration of ineligibility
114 to participate in an interscholastic or intercollegiate athletic event on a
115 student-athlete or educational institution;

116 (11) Any sanction, suspension or disciplinary action taken against
117 the applicant or any person named pursuant to subdivision (7) of this
118 subsection arising out of occupational or professional conduct; and

119 (12) Whether there has been any denial of an application for,
120 suspension or revocation of, or refusal to renew, the registration or
121 licensure of the applicant or any person named pursuant to
122 subdivision (7) of this subsection as an athlete agent in any state.

123 (b) An individual who files an application for, and holds a certificate
124 of, registration or licensure as an athlete agent in another state, may
125 submit a copy of the application and certificate in lieu of submitting an
126 application in the form prescribed pursuant to subsection (a) of this
127 section. The commissioner shall accept the application and the
128 certificate from the other state as an application for registration in this
129 state if the application to the other state:

130 (1) Was submitted in the other state within six months next

131 preceding the submission of the application in this state and the
132 applicant certifies that the information contained in the application is
133 current;

134 (2) Contains information substantially similar to or more
135 comprehensive than that required in an application submitted in this
136 state; and

137 (3) Was signed by the applicant under penalty of perjury.

138 Sec. 6. (NEW) (*Effective January 1, 2004*) (a) Except as provided in
139 subsection (b) of this section, the Commissioner of Consumer
140 Protection shall issue a certificate of registration to an individual who
141 complies with subsection (a) of section 5 of this act or whose
142 application has been accepted under subsection (b) of section 5 of this
143 act.

144 (b) The commissioner may refuse to issue a certificate of registration
145 if the commissioner determines that the applicant has engaged in
146 conduct that has a significant adverse effect on the applicant's fitness
147 to act as an athlete agent. In making the determination, the
148 commissioner may consider whether the applicant has:

149 (1) Been convicted of a crime that, if committed in this state, would
150 be a crime involving moral turpitude or a felony;

151 (2) Made a materially false, misleading, deceptive or fraudulent
152 representation in the application or as an athlete agent;

153 (3) Engaged in conduct that would disqualify the applicant from
154 serving in a fiduciary capacity;

155 (4) Engaged in conduct prohibited by section 14 of this act;

156 (5) Had a registration or licensure as an athlete agent suspended,
157 revoked or denied or been refused renewal of registration or licensure
158 as an athlete agent in any state;

159 (6) Engaged in conduct the consequence of which was that a
160 sanction, suspension or declaration of ineligibility to participate in an
161 interscholastic or intercollegiate athletic event was imposed on a
162 student-athlete or educational institution; or

163 (7) Engaged in conduct that significantly adversely reflects on the
164 applicant's credibility, honesty or integrity.

165 (c) In making a determination under subsection (b) of this section,
166 the commissioner shall consider:

167 (1) How recently the conduct occurred;

168 (2) The nature of the conduct and the context in which it occurred;
169 and

170 (3) Any other relevant conduct of the applicant.

171 (d) An athlete agent may apply to renew a registration by filing an
172 application for renewal in a form prescribed by the commissioner. The
173 application for renewal shall be signed by the applicant under penalty
174 of false statement and shall contain current information on all matters
175 required in an original registration.

176 (e) An individual who has filed an application for renewal of
177 registration or licensure in another state, in lieu of submitting an
178 application for renewal in the form prescribed pursuant to subsection
179 (d) of this section, may file a copy of the application for renewal and a
180 valid certificate of registration or licensure from the other state. The
181 commissioner shall accept the application for renewal from the other
182 state as an application for renewal in this state if the application to the
183 other state:

184 (1) Was submitted in the other state within six months next
185 preceding the filing in this state and the applicant certifies the
186 information contained in the application for renewal is current;

187 (2) Contains information substantially similar to or more
188 comprehensive than that required in an application for renewal
189 submitted in this state; and

190 (3) Was signed by the applicant under penalty of perjury.

191 (f) A certificate of registration or a renewal of a registration is valid
192 for two years.

193 Sec. 7. (NEW) (*Effective January 1, 2004*) (a) The commissioner may
194 suspend, revoke or refuse to renew a registration for conduct that
195 would have justified denial of registration under subsection (b) of
196 section 6 of this act.

197 (b) The commissioner may deny, suspend, revoke or refuse to renew
198 a certificate of registration only after proper notice and an opportunity
199 for a hearing in accordance with chapter 54 of the general statutes.

200 Sec. 8. (NEW) (*Effective January 1, 2004*) The commissioner may issue
201 a temporary certificate of registration while an application for
202 registration or renewal of registration is pending.

203 Sec. 9. (NEW) (*Effective January 1, 2004*) An application for
204 registration or renewal of registration must be accompanied by a fee in
205 the following amount:

206 (1) ____ dollars for an initial application for registration;

207 (2) ____ dollars for an application for registration based upon a
208 certificate of registration or licensure issued by another state;

209 (3) ____ dollars for an application for renewal of registration; or

210 (4) ____ dollars for an application for renewal of registration based
211 upon an application for renewal of registration or licensure submitted
212 in another state.

213 Sec. 10. (NEW) (*Effective January 1, 2004*) (a) An agency contract shall

214 be in a record, signed or otherwise authenticated by the parties.

215 (b) An agency contract shall state or contain:

216 (1) The amount and method of calculating the consideration to be
217 paid by the student-athlete for services to be provided by the athlete
218 agent under the contract and any other consideration the athlete agent
219 has received or will receive from any other source for entering into the
220 contract or for providing the services;

221 (2) The name of any person not listed in the application for
222 registration or renewal of registration who will be compensated
223 because the student-athlete signed the agency contract;

224 (3) A description of any expenses that the student-athlete agrees to
225 reimburse;

226 (4) A description of the services to be provided to the student-
227 athlete;

228 (5) The duration of the contract; and

229 (6) The date of execution.

230 (c) An agency contract shall contain, in close proximity to the
231 signature of the student-athlete, a conspicuous notice in boldface type
232 in capital letters stating:

233 **WARNING TO STUDENT-ATHLETE**

234 **IF YOU SIGN THIS CONTRACT:**

235 **(1) YOU MAY LOSE YOUR ELIGIBILITY TO COMPETE AS A**
236 **STUDENT-ATHLETE IN YOUR SPORT;**

237 **(2) IF YOU HAVE AN ATHLETIC DIRECTOR, WITHIN 72**
238 **HOURS AFTER ENTERING INTO THIS CONTRACT, BOTH YOU**
239 **AND YOUR ATHLETE AGENT SHALL NOTIFY YOUR ATHLETIC**

240 DIRECTOR; AND

241 (3) YOU MAY CANCEL THIS CONTRACT WITHIN 14 DAYS
242 AFTER SIGNING IT. CANCELLATION OF THIS CONTRACT
243 MAY NOT REINSTATE YOUR ELIGIBILITY.

244 (d) An agency contract that does not conform to this section is
245 voidable by the student-athlete. If a student-athlete voids an agency
246 contract, the student-athlete is not required to pay any consideration
247 under the contract or to return any consideration received from the
248 athlete agent to induce the student-athlete to enter into the contract.

249 (e) The athlete agent shall give a record of the signed or otherwise
250 authenticated agency contract to the student-athlete at the time of
251 execution.

252 Sec. 11. (NEW) (*Effective January 1, 2004*) (a) Within seventy-two
253 hours after entering into an agency contract or before the next
254 scheduled athletic event in which the student-athlete may participate,
255 whichever occurs first, the athlete agent shall give notice in a record of
256 the existence of the contract to the athletic director of the educational
257 institution at which the student-athlete is enrolled or the athlete agent
258 has reasonable grounds to believe the student-athlete intends to enroll.

259 (b) Within seventy-two hours after entering into an agency contract
260 or before the next athletic event in which the student-athlete may
261 participate, whichever occurs first, the student-athlete shall inform the
262 athletic director of the educational institution at which the student-
263 athlete is enrolled that he or she has entered into an agency contract.

264 Sec. 12. (NEW) (*Effective January 1, 2004*) (a) A student-athlete may
265 cancel an agency contract by giving notice of the cancellation to the
266 athlete agent in a record within fourteen days after the contract is
267 signed.

268 (b) A student-athlete may not waive the right to cancel an agency
269 contract.

270 (c) If a student-athlete cancels an agency contract, the student-
271 athlete is not required to pay any consideration under the contract or
272 to return any consideration received from the athlete agent to induce
273 the student-athlete to enter into the contract.

274 Sec. 13. (NEW) (*Effective January 1, 2004*) (a) An athlete agent shall
275 retain the following records for a period of five years:

276 (1) The name and address of each individual represented by the
277 athlete agent;

278 (2) Any agency contract entered into by the athlete agent; and

279 (3) Any direct costs incurred by the athlete agent in the recruitment
280 or solicitation of a student-athlete to enter into an agency contract.

281 (b) Records required by subsection (a) of this section to be retained
282 shall be open to inspection by the commissioner.

283 Sec. 14. (NEW) (*Effective January 1, 2004*) (a) An athlete agent, with
284 the intent to induce a student-athlete to enter into an agency contract,
285 shall not:

286 (1) Give any materially false or misleading information or make a
287 materially false promise or representation;

288 (2) Furnish anything of value to a student-athlete before the student-
289 athlete enters into the agency contract; or

290 (3) Furnish anything of value to any individual other than the
291 student-athlete or another registered athlete agent.

292 (b) An athlete agent shall not intentionally:

293 (1) Initiate contact with a student-athlete unless registered under
294 this act;

295 (2) Refuse or fail to retain or permit inspection of the records

296 required to be retained by section 13 of this act;

297 (3) Fail to register when required by section 4 of this act;

298 (4) Provide materially false or misleading information in an
299 application for registration or renewal of registration;

300 (5) Predate or postdate an agency contract; or

301 (6) Fail to notify a student-athlete before the student-athlete signs or
302 otherwise authenticates an agency contract for a particular sport that
303 the signing or authentication may make the student-athlete ineligible
304 to participate as a student-athlete in that sport.

305 Sec. 15. (NEW) (*Effective January 1, 2004*) An athlete agent who
306 violates section 14 of this act is guilty of a class B misdemeanor.

307 Sec. 16. (NEW) (*Effective January 1, 2004*) (a) An educational
308 institution has a right of action against an athlete agent or a former
309 student-athlete for damages caused by a violation of this act. In an
310 action under this section, the court may award to the prevailing party
311 costs and reasonable attorney's fees.

312 (b) Damages of an educational institution under subsection (a) of
313 this section include losses and expenses incurred because, as a result of
314 the conduct of an athlete agent or former student-athlete, the
315 educational institution was injured by a violation of this act or was
316 penalized, disqualified or suspended from participation in athletics by
317 a national association for the promotion and regulation of athletics, by
318 an athletic conference or by reasonable self-imposed disciplinary
319 action taken to mitigate sanctions likely to be imposed by such an
320 organization.

321 (c) A right of action under this section does not accrue until the
322 educational institution discovers or by the exercise of reasonable
323 diligence should have discovered the violation by the athlete agent or
324 former student-athlete.

325 (d) Any liability of the athlete agent or the former student-athlete
 326 under this section is several and not joint.

327 (e) This act does not restrict rights, remedies or defenses of any
 328 person under law or equity.

329 Sec. 17. (NEW) (*Effective January 1, 2004*) The Commissioner of
 330 Consumer Protection may assess a civil penalty against an athlete
 331 agent not to exceed ____ dollars for a violation of this act.

332 Sec. 18. (NEW) (*Effective January 1, 2004*) In applying and construing
 333 this act, consideration shall be given to the need to promote uniformity
 334 of the law with respect to its subject matter among states that enact it.

335 Sec. 19. (NEW) (*Effective January 1, 2004*) The provisions of this act
 336 governing the legal effect, validity or enforceability of electronic
 337 records or signatures, and of contracts formed or performed with the
 338 use of such records or signatures conform to the requirements of the
 339 Electronic Signatures in Global and National Commerce Act, 15 USC
 340 7001 et. seq.

341 Sec. 20. (*Effective January 1, 2004*) Sections 20-553 to 20-558, inclusive,
 342 of the general statutes are repealed.

This act shall take effect as follows:	
Section 1	<i>January 1, 2004</i>
Sec. 2	<i>January 1, 2004</i>
Sec. 3	<i>January 1, 2004</i>
Sec. 4	<i>January 1, 2004</i>
Sec. 5	<i>January 1, 2004</i>
Sec. 6	<i>January 1, 2004</i>
Sec. 7	<i>January 1, 2004</i>
Sec. 8	<i>January 1, 2004</i>
Sec. 9	<i>January 1, 2004</i>
Sec. 10	<i>January 1, 2004</i>
Sec. 11	<i>January 1, 2004</i>
Sec. 12	<i>January 1, 2004</i>

Sec. 13	<i>January 1, 2004</i>
Sec. 14	<i>January 1, 2004</i>
Sec. 15	<i>January 1, 2004</i>
Sec. 16	<i>January 1, 2004</i>
Sec. 17	<i>January 1, 2004</i>
Sec. 18	<i>January 1, 2004</i>
Sec. 19	<i>January 1, 2004</i>
Sec. 20	<i>January 1, 2004</i>

Statement of Purpose:

To replace the Connecticut statutes regulating athlete agents with the Uniform Athlete Agents Act.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]

Co-Sponsors: REP. VILLANO, 91st Dist.